

Resolution No.: 16-863
Introduced: December 8, 2008
Adopted: February 24, 2009

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: To Amend Resolution No. 16-676 of the County Council for Montgomery County, Maryland, Adopted on July 29, 2008 Regarding the Issuance of Revenue Bonds, to Add Authority to Borrow an Additional \$60 Million in Order to Finance or Refinance the Costs of (A) Certain Facilities for The Department of Liquor Control and (B) Certain Transportation Projects; and, Except as Amended Hereby, Fully Ratifying and Confirming Resolution No. 16-676.

Background

1. Resolution No. 16-676, adopted by the County Council for Montgomery County, Maryland (the "County Council") on July 29, 2008, authorized Montgomery County, Maryland (the "County") to issue its revenue bonds (the "Bonds"), in a principal amount not to exceed Seventy-Eight Million Dollars (\$78,000,000). The Bonds are to be issued pursuant to and in accordance with Sections 5(P)(2) and 5(P)(3) of Article 25A of the Annotated Code of Maryland (2005 Replacement Volume and 2007 Supplement) and Sections 20-47 through 20-54 of Chapter 20 of the Montgomery County Code (2004 Edition, as amended), to finance and refinance the costs of certain capital projects for the Montgomery County Department of Liquor Control (the "Department") and certain transportation projects, all as more fully described in Resolution No. 16-676.
2. The County has determined that it is advisable and in the public interest to (a) relocate the existing warehouse and support functions of the Department on Crabbs Branch Way, as more fully described on Exhibit A attached hereto (the "DLC Warehouse Project"), and (b) participate in the funding of a transportation project relating to the Bethesda Metro Station, as previously approved as Project #500929, as further described in the County's Approved FY08-13 Capital Improvements Program (the "Bethesda Metro Station South Entrance Project").
3. The County has determined that it is advisable and in the public interest to add the DLC Warehouse Project and the Bethesda Metro Station South Entrance Project to the list of projects that may be financed and refinanced with the proceeds of the Bonds.

4. The County has determined that financing and refinancing the DLC Warehouse Project and the Bethesda Metro Station South Entrance Project will require the issuance of Bonds in a principal amount not to exceed Sixty Million Dollars (\$60,000,000), in addition to the amount authorized to be issued by Resolution No. 16-676.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

Section 1. The County hereby finds and determines that:

- a. The DLC Warehouse Project is a “project” within the meaning of the Revenue Bond Act.
- b. The Bethesda Metro Station South Entrance Project is a “project” within the meaning of the Revenue Bond Act.
- c. It is advisable and in the public interest to complete the DLC Warehouse Project and the Bethesda Metro Station South Entrance Project.
- d. It is advisable and in the public interest to finance or refinance the costs of the DLC Warehouse Project and the Bethesda Metro Station South Entrance Project through the issuance, sale and delivery of the Bonds.

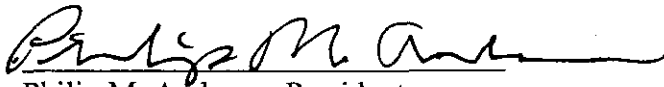
Section 2. Resolution No. 16-676 is hereby amended as follows:

1. As used in Resolution No. 16-676, the term “Projects” shall include the DLC Warehouse Project and the Bethesda Metro Station South Entrance Project.
2. Section 2 of Resolution No. 16-676 is deleted in its entirety and the following is substituted in its place: “The County hereby authorizes the issuance, sale and delivery of the Bonds in a principal amount not to exceed One Hundred Thirty-Eight Million Dollars (\$138,000,000). The Bonds shall be issued and sold in accordance with the provisions of the Revenue Bond Act.”
3. Section 7 of Resolution No. 16-676 is deleted in its entirety and the following is substituted in its place: “It is hereby acknowledged that the Bonds may be issued initially in either a fixed or variable interest rate mode. It is hereby further acknowledged that it may be in the best interests of the County at some future date to convert the Bonds from a variable interest rate to a fixed interest rate. To accommodate such conversion, the County hereby authorizes the issuance, sale and delivery

of additional bonds (the "Additional Bonds") for the sole and exclusive purpose of refinancing the Bonds; provided, that in no event shall the aggregate principal amount of Bonds and Additional Bonds outstanding at any one time exceed One Hundred Thirty-Eight Million Dollars (\$138,000,000). The Additional Bonds shall be issued and sold in accordance with the provisions of the Revenue Bond Act and of this Resolution, as if such Additional Bonds were Bonds."

Section 3. Except as specifically amended by this Resolution, Resolution No. 16-676 is hereby fully ratified and confirmed.

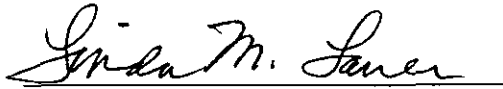
Section 4. This Resolution shall take effect upon its adoption.



Philip M. Andrews, President
Montgomery County Council

Date February 26, 2009

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council

EXHIBIT A

DLC Warehouse Project

This project is part of the Smart Growth Initiative, CIP No. 360902, and provides for the land, and planning and design of the relocation of the existing Liquor Control warehouse located on Crabbs Branch Way, into the 200,000 square foot Finmarc building on Edison Park Drive in Gaithersburg,

The project provides for the consolidation of all Department of Liquor Control functions including all administrative functions, liquor and wine, and packaged beer storage space. The packaged beer storage space will comply with mandated supplier facility requirements.

The Shady Grove Sector Plan identified County owned properties on the east and west side of Crabbs Branch Way, including the current Department of Liquor Control warehouse for future transit oriented development. Relocation of the current warehouse is also necessary to implement the County Executive's Smart Growth Initiative. The Department of Liquor Control needs a larger warehouse with air conditioned space.